

**Health Care Reform Bill (HF 2539)**  
**Iowa Medicaid Enterprise Implementation Summary**  
**August 13, 2008**

**Section 56 (Medical Assistance Quality Improvement Council)**

The Council is comprised of 7 legislative members, and at least one consumer and one Medicaid provider. The Council is directed to consult with and advise the Iowa Medicaid Enterprise (IME) in establishing a quality assessment and improvement process to evaluate clinical outcomes and satisfaction of members and providers with the Medicaid program. The initial process is to be developed by December 31, 2008.

The members have not yet been appointed. Once members are appointed and the council convened, the IME plans to provide detailed overviews of the primary quality initiatives and advisory groups underway at the IME. These include the Medicaid Value Management Project which utilizes health care best practices and statistical norms to evaluate care provided to Medicaid members, the Clinical Advisory Committee and Drug Utilization Review Committee which both examine medical and pharmacy utilization data for members and providers to identify practices outside clinical norms, and HEDIS health outcome measures and our annual survey of Medicaid members. We will work with the Council to develop the quality assessment and improvement process, with the above projects forming the groundwork.

**Section 70 (Direct Care Worker Compensation Advisory Committee)**

The Advisory Committee is required to review and make recommendations for improving wages and other compensation paid to direct care workers with a focus on nonlicensed direct care workers in the nursing facility setting. Prior to initial meeting, DHS shall provide all members with a detailed analysis of trends in wages and other compensation paid to direct care workers. A report is due no later than December 12, 2008.

Projected Timeline:

August 15, 2008 - Notice will be sent to the organizations listed and will include:

- Information from the Bureau of Labor and Statistics relative to trends in wages for direct care workers.
- Current average salary information for direct care workers employed in Iowa's Medicaid-certified nursing facilities including: trended salary information from Medicaid cost reports, information that describes wage and compensation experiences in Iowa, and to the extent available, information from other states.
- The notice will include tentative dates for each meeting (to be held in September, October and November 2008).

December 12, 2008 - Submit final report and recommendations to governor and general assembly.

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**Section 71, Direct Care Worker Turnover Report**

DHS is required to modify the nursing facility cost report to capture information on the turnover rates of direct care and other employees of nursing facilities. This information shall be reported to the Governor and General Assembly by December 1, 2008 and annually thereafter.

The IME will complete changes to the cost report as directed. A change in the cost report will require federal approval of a State Plan Amendment, which we will submit by December 1, 2008. These cost report changes will be requested to be effective for cost reports completed after December 1, 2008 (see time line below). To complete the first turnover report, (due to the Governor and General Assembly December 1, 2008), we will use information IME has collected from nursing facilities on a voluntary basis, using data from providers who submitted form 470-4513, *Nursing Facility Annual Calculation of Employee Turnover*, per Informational Release No. 672 (issued February 4, 2008). This form was issued for nursing facilities to complete on a voluntary basis at the end of each calendar year. This form was developed at the request of the Accountability Measures workgroup, who were interested in collecting the information to inform future recommendations to Accountability Measures.

As an alternative to modification of the cost report (which requires a SPA), it is possible to collect the information specified in legislation by requiring the use of a form, similar to form 470-4513, *Nursing Facility Annual Calculation of Employee Turnover*. Administrative rules could be promulgated to require the use of this form.

Projected Timeline:

September 12, 2008 - Complete modifications to cost report.

October 1, 2008 - Submit revised cost report and instructions for public notice.

November 30, 2008 - Submit a Medicaid State Plan Amendment (SPA) for an effective date of 12/1/08, requiring the revised cost report to be used with all cost reports submitted after 12/1/08.

December 1, 2008 - Submit initial report to governor and general assembly by December 1, 2008

Future Annual Reports - Subsequent annual reports submitted would include data collected from revised cost reports, as providers are required to use the new version based on their fiscal year end.